

7 November 1957

ATTN : Chief, St/I/R
THRU : Chief, D/S
Chief, S/TF

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USSR Economic Assistance to Poland

REF : 1. State, Warsaw, IT 716, 23 Nov 56, C; 2. FBIS, USSR & EE, #227, 21 Nov 56, U; 3. US/Polish Talks, H-3, 6 Mar 57, p. 9. C; 4. [REDACTED] 25X1A2g
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BACKGROUND

On 18 September 1956 Poland received its first known loan from the USSR since 1950 (deliveries of the 1950 credit were to extend to 1958). The amount of the September 1956 loan was \$25 million. A second loan was extended from the USSR on 18 November 1956. Poland was to receive \$175 million in goods and 1.4 million tons of grain valued at \$100 million. In addition the USSR cancelled Poland's debt amounting to between \$500-600 million.

Some reports indicate that Poland's debt outstanding on 1 November 1956, including the repayments due on the September 1956 loan, were cancelled. (Ref. 2). However, another report stated that the \$25 million loan is to be repaid within the next few years in \$6.25 million installments. (Ref. 3)

Information received in May 1957 stated that the USSR, as a result of an analysis of foreign trade accounting between the two countries, has agreed to revise past accounts and to credit \$250 million to Poland. (Ref. 4)

Reference 5 states that Poland will be able to draw a total of \$60-\$70 million in hard currency during the next five years under an agreement between the USSR and Poland.

REQUIREMENTS

1. Is there any information to confirm or deny the crediting of \$250 million to Poland?
2. Is the \$250 million reported to have been credited to Poland by the USSR in addition to the \$500-\$600 million debt cancelled in November 1956?

3. Was repayment of the September 1956 loan included in the amount cancelled in November 1956?
4. What is the status of the 1950 loan? Are shipments still being sent to Poland or were they discontinued as of 1 November 1956?
5. If shipments were discontinued what was the value of the goods not received under the 1950 credit?
6. If shipments are still being sent under the 1950 credit will Poland be indebted for the goods received?
7. Is there any information to confirm or deny that Poland will draw from the USSR \$60-\$70 million in hard currency during the next five years? If true, under what agreement will this take place?

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ORA/6/12  (7 November 1957)

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